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September 29, 1998

Neal Jensen B.E.G. Resources P.O. Box 361 Nephi, Utah 84628

Re: <u>Initial Review of Notice of Intention to Commence Large Mining Operations, B.E.G.</u>

Resources Company, Travertine #1 Mine, M/023/042, Juab County, Utah

Dear Mr. Jensen:

The Division has completed a review of your draft Notice of Intention to Commence Large Mining Operations for the Travertine #1 mine, located in Juab County, Utah, which was received April 27,1998. After reviewing the information, the Division has only a few remaining comments which will need to be addressed before tentative approval may be granted.

At this time, the technical issue concerning reclamation and bonding of the access road remains unresolved. Until this issue is finally resolved with the BLM, we will require that the reclamation bond amount be adjusted to reflect the costs to reclaim the road. If the BLM reverses its decision on requiring reclamation of the access road, we will authorize a concurrent reduction in reclamation surety amount. The Division currently holds an interim surety in the amount of \$14,000 for this mine site. Based on this initial review and the necessary inclusion of the access road, this surety amount will need to be increased. The updated surety amount must be posted prior to final approval of your large mining permit application.

Once the remaining technical concerns are addressed, then tentative approval can be granted and the public notice can be published. If no negative public comments are received during the 30-day public comment period and the proper surety is posted, then final approval can be granted. The comments are listed below under the applicable Minerals Rule heading. Please format your response in a similar fashion.

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The Division will suspend further review of the Travertine #1 mine NOI until your response to this letter is received. If you have any questions in this regard please contact me, Tony Gallegos, Lynn Kunzler, or Tom Munson of the Minerals Staff. If you wish to arrange a meeting to sit down and discuss this review, please contact us at your earliest convenience. Thank you for your cooperation in completing this permitting action.

Sincerely,

D. Wayne Hedberg

Permit Supervisor

Minerals Regulatory Program

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Attachment: Review

cc: Ron Teseneer, BLM, House Range RA

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INITIAL REVIEW OF LARGE MINING NOTICE OF INTENTION

B.E.G. Resources Company Travertine #1 Mine

M/023/042 (9/29/98)

R647-4-113 - Surety

Section 14.4 of the submission proposes the application of manure at a rate of 4-5 tons per acre to increase the organic content of the soils. The estimated cost provided in this section is \$30/acre for materials and application. This cost appears to be low for materials, haulage and application. Please describe the cost breakdown for this figure in terms of cost of materials, haulage cost, and application or spreading cost. Please clarify whether composted manure or untreated manure is proposed. (AAG)

Due to the uncertainty regarding the reclamation responsibility of the access road, the Division requests the reclamation cost estimate be revised to include reclamation of the 2.71 acres of access road. Please revise the acreages for ripping, mulch and seeding to 10.34 acres (7.63 + 2.71) in the surety calculation. The surety estimate did not include a mobilization cost for the front end loader. Please include a \$500 cost for mobilization of a front end loader or explain why this is not necessary. Please provide an updated surety estimate which reflects the modifications requested above. (AAG)

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